IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

SUO MOTU COMPANY PETITION NO.554 OF 2005

S.C.Gupta, Official Liquidator present.

C.J.Joy i/by S.S.Sarkar, adv. for Union of India and Regional Director.

CORAM : S.C.DHARMADHIKARI, J.
DATE : 27th April 2006

PC :

1. This suo motu petition was placed before me and an order was passed on the same by me on 17th March 2006. The difficulty expressed by the Official Liquidator that liquidation proceedings cannot be completed and concluded on time because there is shortage of staff and officers in the office of Official Liquidator. He had stated before me that there is extreme shortage of officers and competent staff in his office.

2. Thereupon, a notice was issued to the Union of India and the Regional Director. The Official Liquidator also has made a report pointing out that he has forwarded his requisition and the Ministry through the Regional Director has

informed him that the matter is being examined at their end.

3. Now, the Regional Director has filed an affidavit and in paragraph 3 of the affidavit filed on 26th April 2006, this is what is observed:-

> "3. That the Ministry of Company Affairs, vide letter No.A-42011/18/2006 -AD.II dated 18.04.06 has informed that there is a restriction in filling up the vacancies under direct recruitment quota. The Department of Personnel and Training which is the nodal Department for service matters has issued instructions vide Office Memorandum No.2/8/2001-PIC dated 16.5.2001 that the direct recruitment in any case will not exceed 1% of the total sanctioned strength of a department and the remaining vacancies meant for direct recruitment will stand abolished. Thus the outsourcing of the services of the advocates/counsels as being done in the Office of Official Liquidator, Delhi, on a monthly payment basis would be an effective step and the same would alleviate the difficulties being faced by the OL, Mumbai. Copy of the letter dated 18.4.06 is enclosed as Exhibit 'A'."

4. Thus, the Official Liquidator will have to deal with the problems pertaining to shortage of staff at his office in accordance with the above referred office memorandum. However, permission of outsourcing can be sought by him on the lines of the office of OL, New Delhi. The Central

Government as also the Regional Director have agreed to consider the request of O.L. on par with the office of O.L; Delhi and permit him to engage services of advocates/ counsel as is done in the Delhi Office.

5. In the light of this affidavit no further directions are necessary. It would be open for the O.L. to seek appropriate directions for appointment of advocates or engaging their services otherwise. Petition disposed of. It will be open for the O.L. to engage services of advocates/counsels on par with the scheme existing in the office of O.L. at Delhi.

(S.C.DHARMADHIKARI, J.)